

Adopted	Rejected
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## COMMITTEE REPORT

YES:	11
NO:	0

### MR. SPEAKER:

*Your Committee on Commerce, Energy, Technology and Utilities, to which was referred Senate Bill 420, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, delete lines 1 through 17.
- 2 Delete page 2.
- 3 Page 3, delete lines 1 through 31.
- 4 Page 3, line 34, after "(a)" insert "As used in this section, "biofuels
- 5 project" means an addition to or the construction, extension, or
- 6 improvement of a public utility's plant or equipment to provide
- 7 electric or gas service to a customer that produces biodiesel,
- 8 ethanol, or any other biofuel.
- 9 (b)".
- 10 Page 3, line 35, delete "IC 8-1-37-5(b)." and insert "IC 8-1-37-5(b)
- 11 and enters into an agreement described in subsection (e).
- 12 (c) For purposes of section 23 of this chapter, a biofuels project
- 13 is in fact used and useful in the public service."
- 14 Page 3, delete lines 36 through 40.

- 1 Page 3, line 41, delete "(c)" and insert "(d)".
- 2 Page 3, line 42, after "investment" insert "**in a biofuels project.**".
- 3 Page 4, delete line 1.
- 4 Page 4, line 2, delete "described in subsection (b).".
- 5 Run in page 3, line 42, through page 4, line 2.
- 6 Page 4, line 4, delete "fifty million dollars (\$50,000,000)," and
- 7 insert "**ten million dollars (\$10,000,000).**".
- 8 Page 4, line 5, after "investment" insert ", **as allocated to the public**
- 9 **utility under an agreement described in subsection (e).**".
- 10 Page 4, between lines 17 and 18, begin a new paragraph and insert:
- 11 "**(e) To be eligible for a cost recovery under this section, a public**
- 12 **utility shall enter into an agreement with the customer that is the**
- 13 **beneficiary of electric or gas service provided under a biofuels**
- 14 **project. The agreement must allocate the cost of the biofuels**
- 15 **project as follows:**
- 16 (1) **Fifty percent (50%) to the public utility.**
- 17 (2) **Fifty percent (50%) to the customer.**".
- 18 Page 4, line 18, delete "(d)" and insert "(f)".
- 19 Page 4, line 18, delete "(c)" and insert "(d)".
- 20 Page 4, line 24, delete "(e)" and insert "(g)".
- 21 Page 4, line 25, delete "However, a".
- 22 Page 4, delete lines 26 through 28.
- 23 Page 4, line 29, delete "IC 8-1-8.4" and insert "IC 8-1-8.2".
- 24 Page 4, line 32, delete "8.4." and insert "**8.2.**".
- 25 Page 5, line 1, after "facilities." insert "**The term includes an**
- 26 **electric line facilities project that provides electric service to a**
- 27 **customer that generates electricity from renewable energy**
- 28 **resources.**".
- 29 Page 5, line 18, after "recovery of" insert "**reasonable and**
- 30 **necessary**".
- 31 Page 5, line 19, after "supplier" insert "**that are allocated to**
- 32 **Indiana retail customers in proportion to the retail electric service**
- 33 **directly provided to Indiana retail customers**".
- 34 Page 5, line 21, after "generated" insert "**by a customer**".
- 35 Page 5, line 23, after "recovery of" insert "**reasonable and**
- 36 **necessary**".
- 37 Page 5, between lines 27 and 28, begin a new line blocked left and
- 38 insert:

**"The commission may require an electricity supplier that seeks to receive a financial incentive described in subdivision (1) to enter into an agreement with the customer that is the beneficiary of electric service provided by the electric line facilities project. The agreement must allocate the cost of the electric line facilities project equally between the electricity supplier and the customer."**

Page 5, line 33, delete "(h)," and insert "(g),".

Page 6, line 5, delete "8" and insert "9".

Page 6, line 10, delete "subsections (g) and (h)," and insert **"subsection (g),"**.

Page 6, delete lines 28 through 34.

Page 6, line 35, delete "(h)" and insert "(g)".

Page 6, line 42, delete "(i)" and insert "(h)".

Page 7, delete lines 14 through 42.

Delete pages 8 through 10.

Page 11, delete lines 1 through 41.

Page 12, line 14, delete "IC 8-1-8.4-6." and insert **"IC 8-1-8.2-6."**

Page 12, delete lines 15 through 42, begin a new paragraph and insert:

**"Sec. 3. (a) As used in this chapter, "renewable energy credit", or "REC", means a tradable compliance instrument that is:**

**(1) associated with one (1) megawatt hour of electricity generated from a renewable energy resource described in section 4(a) of this chapter; and**

**(2) tracked in an electronic tracking system approved by the commission.**

**(b) The term does not include an instrument or the associated electricity that is:**

**(1) retired; or**

**(2) otherwise claimed for purposes of complying with any voluntary contract or renewable energy requirement in another jurisdiction.**

**Sec. 4. (a) As used in this chapter, "renewable energy resources" includes the following sources or processes:**

**(1) Methane systems that convert waste products, including animal, food, and plant waste, into electricity.**

**(2) Methane recovered from landfills.**

**(3) Wind, including wind energy battery storage systems.**

- 1           **(4) Solar photovoltaic cells and panels.**
- 2           **(5) Clean coal technology.**
- 3           **(6) Dedicated crops grown for energy production. An invasive**
- 4           **species of plant (as defined by Indiana law) does not qualify**
- 5           **as a crop under this subdivision.**
- 6           **(7) Energy from waste to energy facilities.**
- 7           **(8) An electric generating facility that uses any of the sources**
- 8           **or processes described in subdivisions (1) through (7).**
- 9           **(9) Hydropower that is:**
  - 10           **(A) initially derived after June 30, 2009; and**
  - 11           **(B) from dams in existence on July 1, 2009."**
- 12           Page 13, delete lines 1 through 14.
- 13           Page 13, line 28, delete "IC 8-1-2-23.1 or IC 8-1-8.4-9," and insert
- 14           **"IC 8-1-2-23.1, IC 8-1-8.2-9, or section 9 of this chapter,".**
- 15           Page 13, between lines 34 and 35, begin a new line block indented
- 16           and insert:
- 17           **"(2) Not later than the calendar year ending December 31,**
- 18           **2012, at least four and two-tenths percent (4.2%)."**
- 19           Page 13, line 35, delete "(2)" and insert "(3)".
- 20           Page 13, line 37, delete "(3)" and insert "(4)".
- 21           Page 13, line 39, delete "(4)" and insert "(5)".
- 22           Page 14, line 17, delete "may own or purchase RECs or" and insert
- 23           **"complies with subsection (b) or (c) by demonstrating to the**
- 24           **commission that an equivalent volume of RECs has been retired in**
- 25           **an eligible electronic tracking system."**
- 26           Page 14, delete lines 18 through 19.
- 27           Page 14, line 21, delete "4(a)(5), 4(a)(8), 4(a)(10), or 4(a)(11)" and
- 28           insert **"4(a)(5)".**
- 29           Page 14, line 30, delete "resources;" and insert **"resources in an**
- 30           **Indiana facility;"**.
- 31           Page 14, delete lines 34 through 38.
- 32           Page 14, line 42, delete "IC 8-1-2-23.1(d) or IC 8-1-8.4-11," and
- 33           insert **"IC 8-1-2-23.1(d), IC 8-1-8.2-11, or section 9(c) of this**
- 34           **chapter,"**.
- 35           Page 15, line 15, delete "may" and insert **"shall"**.
- 36           Page 16, line 14, delete "RECs or carbon offset equivalents;" and
- 37           insert **"RECs, but not the associated power, produced from a**
- 38           **renewable energy resource;"**.

- 1       Page 16, line 18, after "(b)" insert **"Except as provided in**
  - 2 **subsection (c), the recovery of costs by a periodic rate adjustment**
  - 3 **mechanism under subsection (a) expires on the earlier of the**
  - 4 **following dates:**
  - 5       **(1) The date on which the electricity supplier recovers under**
  - 6 **the period rate adjustment mechanism all costs allowed under**
  - 7 **subsection (a).**
  - 8       **(2) December 31, 2016.**
  - 9       **(c)".**
  - 10      Page 16, delete lines 24 through 29.
  - 11      Page 16, line 35, delete "one and five-tenths (1.5)" and insert **"one**
  - 12 **(1)".**
  - 13      Page 16, line 37, delete "or".
  - 14      Page 16, line 38, delete "4(a)(2)".
  - 15      Page 17, line 4, delete "one (1)" and insert **"five-tenths (0.5)".**
  - 16      Page 17, line 5, after "(b)" insert **"Electricity generated by any**
  - 17 **source outside the territory of a regional transmission organization**
  - 18 **may not be considered for purposes of calculating an REC to**
  - 19 **determine an electricity supplier's compliance with section 5(b) or**
  - 20 **5(c) of this chapter, as applicable.**
  - 21       **(c)".**
  - 22      ReNUMBER all SECTIONS consecutively.
- (Reference is to SB 420 as reprinted February 24, 2009.)

**and when so amended that said bill do pass.**

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Representative Moses